

EUROPEAN ECONOMY

COMMISSION OF THE EUROPEAN COMMUNITIES • DIRECTORATE-GENERAL FOR ECONOMIC AND FINANCIAL AFFAIRS

Supplement B — No 7 — July 1989

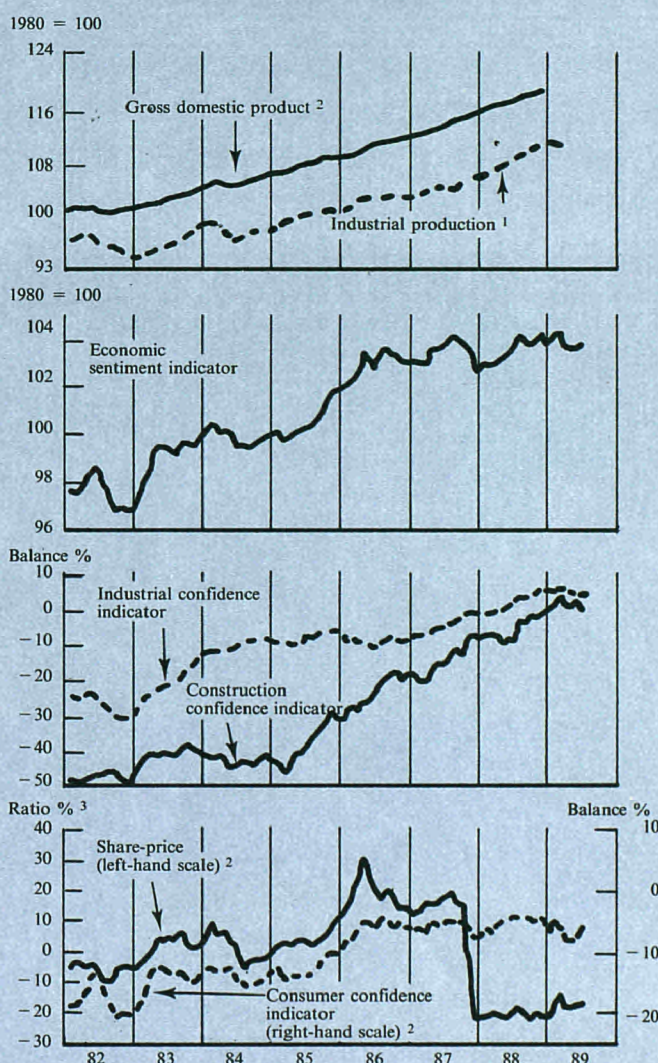
Business and consumer survey results

*In this number:
Industrial investment
in 1988 and 1989*

THE MAIN POINTS IN BRIEF

- The basic trend of economic activity in the Community is still on an upward course at the beginning of the summer. It is true that this picture is more than slightly marred by further rise in the rates of price increase and widening external imbalances. Some countries are also now showing signs of increasing strain.
- According to the available industrial survey results, there is no break in the upward trend in the Federal Republic of Germany, France and Belgium. But there are signs of definite weakening in Italy, Spain, Portugal and above all the United Kingdom.
- Investment continues to be the most dynamic component of demand in the Community. In the survey carried out in March/April 1989 industrialists confirm that in 1989 they wish to expand their investment more substantially than in 1988.
- Although developments vary in the member countries, the Community's leading economic indicator is on the whole still pointing upward, chiefly as a result of the vigorous rise in the German and Belgian leading indicators. For Italy and the United Kingdom the leading indicator has fallen, but in the other countries it has not changed significantly.

GRAPH 1: Indicators of output and economic sentiment — European Community



¹ Three-month moving average.

² See notes to Table 6.

³ Deviations from trend in %.

On the whole, economic activity in the Community continues to present a favourable picture. — Economic activity, on average for the Community, is still on an upward course at the beginning of the summer. It is true that this picture is more than slightly marred by further rises in the rates of price increase and widening external imbalances. Some countries are also now showing signs of increasing strain. However, there is no reason to expect a general slackening of economic activity. This is signalled by the economic indicators available to June.

Developments vary within the Community. — According to the available industrial survey results, there is no break in the upward trend in the Federal Republic of Germany, France and Belgium. But there are signs of a definite weakening in Italy, Spain, Portugal and above all the United Kingdom. This patchy picture of economic activity is also reflected in consumers' assessments of the economic situation. In the United Kingdom and Italy in particular, but also in France, Ireland and Portugal, consumer activity seems to be falling off.

In some countries the evolution of prices is giving cause for concern. Considerable pressure for higher industrial and consumer prices is being reported, in particular from France, Ireland, Greece and the United Kingdom. The most recent price movements are not only attributable to special factors (higher import prices, increases in indirect taxes); in the United Kingdom in particular, but also in Spain, Italy and Portugal, they reflect capacity constraints and sharply rising labour costs, giving reason to fear a further acceleration in price rises.

The Community's leading economic indicator is on the whole still pointing upward even though developments vary in the member countries. — In June the Community's leading economic

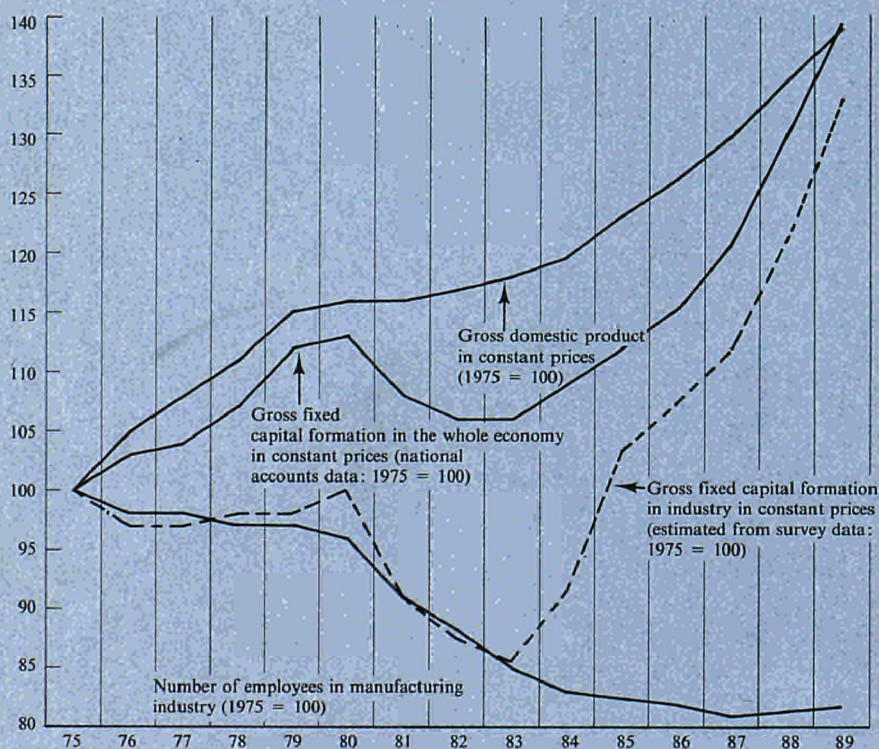
indicator again showed an improvement on the previous month, chiefly as a result of the vigorous rise in the German and Belgian leading indicators. For Italy and the United Kingdom the leading indicator has fallen, but in the other countries it has not changed significantly. The leading indicators thus point to incipient differences in the economic trend in the Community.

In 1989, industrialists are again planning to invest more than in 1988. — Investment activity is still a strong feature of domestic demand in the Community. This is reflected in the results now available of the spring industrial investment survey. Taking the average for the Community, the results now available for 1988 show that in that year industrialists actually invested more than they had planned to do as late as in September/October 1988. At the same time, according to the results of the March/April 1989 survey, in 1989 they intend to adhere to the 10 % real rate of increase in investment which they had planned last autumn.

In detail, investment in the *basic materials industries* and above all in the *equipment goods industries* should increase by more than the average. Taking the average for the Community, in these two branches investment activity is expected to rise by 19 % and 15 % respectively in 1989 (compared with 18 % and 10 % in 1988). But firms in the *consumer goods industries* are also planning a marked expansion of their investment (an increase of 12 % in the processing industries and 9 % in the food industries). However, compared with 1988 (increases of 16 % and 12 %) these rises do indicate some slowdown in investment activity. By contrast, investment in the *metallurgical industries* should rise appreciably this year, after declining in 1988 (see Table 3).

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GRAPH 2: Trend of industrial investment in the Community (business survey indicator) in the context of other macro-economic indicators



1988 and 1989: Estimation.

Sources: Eurostat, economic forecasts and EC investment survey.

TABLE 1: Industrial investment in manufacturing industry by Member State
% change in relation to preceding year

Year	B(d)	DK(d)	D	GR(d)	E	F	IRL(d)	I	L(d)	NL	P	UK(d)	EUR
1988													
in values terms	+20	+11	+4	+39	+19	+12	+51	+15	+6	-6	+27	+19	+12
in volumes terms (a)	+17	+6	+2	+25	+13	+9	+45	+10	+3	-7	+14	+13	+8
1989													
in values terms	+22	+18	+12	+27	+27	+10	+30	+18	-30	+1	+33	+19	+15
in volumes terms (a)	+18	+14	+9	+11	+19	+7	+23	+11	-34	-2	+19	+11	+10

TABLE 2: Industrial investment in the EC manufacturing industry

Data of survey	A. % change in value in relation to preceding year								B. % change in volume in relation to preceding year (a)							
	Years to which data relate								Years to which data relate							
	1983	1984	1985	1986	1987	1988	1989		1983	1984	1985	1986	1987	1988	1989	
October/November 1983	3	10							-3	5						
March/April 1984	3	13							-2	7						
October/November 1984		12	14							7	9					
March/April 1985		12	16							7	11					
October/November 1985			15	10							10					
March/April 1986			18	14							13	11				
October/November 1986				10	9							6	6			
March/April 1987				10	9							6	6			
October/November 1987					10	11							7	8		
March/April 1988					8	12							5	9		
October/November 1988						11	14							7	10	
March/April 1989						12	15							8	10	

TABLE 3: Industrial investment survey by branch

Results of the March/April 1989 investment survey, % change in value, over the preceding year

	Basic materials industries (b)		Metallurgical industries		Equipment goods industries		Processing industries (c)		Extractive		Food industries		Total, all industry	
	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989
B	+58	+33	-13	+3	+5	+23	+19	-7	:	:	-2	+45	+20	+22
DK	+4	+20	+65	+17	+16	+37	-6	+17	:	:	+15	-6	+11	+18
D	+8	+14	-2	+18	+2	+12	+10	+11	-12	+2	+7	+7	+4	+12
GR	+50	+38	+84	-27	+138	+46	+22	-5	:	:	+13	+38	+39	+27
E	+32	+8	+41	+198	+1	+5	+41	+38	0	+37	+6	+9	+19	+27
F	+12	+14	-12	+31	+13	+11	+15	+4	+24	-1	+12	+5	+12	+10
IRL	+86	+48	:	:	+45 (f)	-3 (f)	+44	+51	:	:	+6	+17	+51	+30
I	+27	+30	-21	+40	+21	+25	+10	+1	+1	-15	+21	+6	+15	+18
L	+317	-58	-6	-13	+1	+52	-42	-58	:	:	-7	-23	+6	-30
NL	+2	-1	:	:	-14 (f)	0 (f)	-9	+4	-9	+7	0	+2	-6	+1
P	+36	+59	+12	+597	+36	+85	+33	+19	+26	-16	+35	+18	+27	+33
UK	+12	+20	+28	+18	+17	+14	+26	+27	:	:	+19	+10	+19	+19
EUR (e)	+18	+19	-2	+46	+10	+15	+16	+12	:	:	+12	+9	+12	+15

TABLE 4: Industrial investment survey—all branches

% change in volume (a) in relation to preceding year

Year to which data relate:	1985		1986				1987				1988				1989	
	Oct./ Nov. 1985	March/ April 1986	Oct./ Nov. 1985	March/ April 1986	Oct./ Nov. 1986	March/ April 1987	Oct./ Nov. 1986	March/ April 1987	Oct./ Nov. 1987	March/ April 1988	Oct. Nov. 1987	March/ April 1988	Oct./ Nov. 1988	March/ April 1989	Oct./ Nov. 1988	March/ April 1989
Date of survey:																
B(d)	+3	+3	+13	+20	+12	+13	+11	+12	+4	+6	+7	+14	+11	+17	+17	+18
DK (d)	+33	+31	+5	+9	+7	+3	+17	+15	+18	+9	+1	+22	+6	+6	+4	+14
D	+14	+17	+8	+11	+11	+11	+5	+4	+6	+3	+1	+3	+5	+2	+7	+9
GR (d)	+32	+3	+41	+38	-12	-28	-7	+2	-14	-13	+2	+10	-20	+25	+21	+11
E	:	+27	:	+16	+15	+15	+6	+19	+43	+19	+36	+36	+16	+13	+33	+19
F	+10	+7	+1	+6	+4	+4	+4	+3	+4	+3	+6	+9	+11	+9	+7	+7
IRL (d)	-11	+59	+19	+19	-1	+9	+11	+18	-28	-1	+88	+74	+46	+45	+16	+23
I	+2	+12	+8	+14	+4	+7	+15	+11	+11	+12	+6	+7	+9	+10	+11	+11
L(d)	+14	+16	+17	+46	+31	+39	-2	-2	-10	+3	-13	-16	-23	+3	-25	-34
NL	+21	+23	+9	+5	+5	+3	-3	-11	0	0	-2	-4	-10	-7	+4	-2
P	:	:	:	:	+8	+5	+11	+18	+6	+16	+15	+27	+15	+14	+8	+19
UK (d)	+4	+3	+6	+6	+1	+5	+4	+5	+6	+5	+12	+13	+9	+13	+12	+11
EUR (d)	+10	+13	+7	+11	+6	+6	+6	+6	+7	+5	+8	+9	+7	+8	+10	+10

(a) The changes in volume are calculated by dividing the changes in value, based on the surveys, by the corresponding deflators for gross capital formation. For 1988 and 1989 forecast deflator is used.

(b) Chemicals, man-made fibres, petroleum refining, rubber processing, etc.

(c) Manufacture of textiles, footwear, wood, paper, printing and processing of plastic industries.

(d) Excluding the extractive industries.

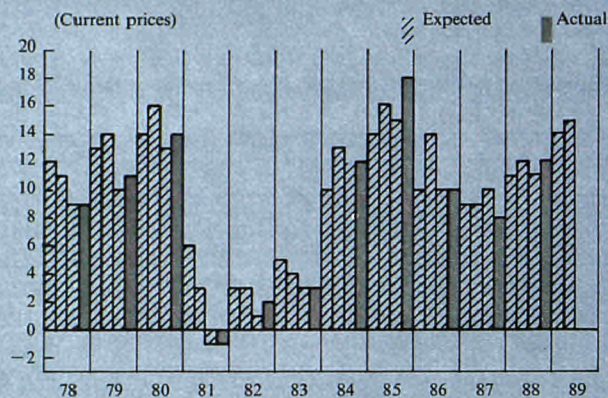
(e) Weighted total of the above (not given when data are substantially incomplete).

(f) Including the metallurgical industries.

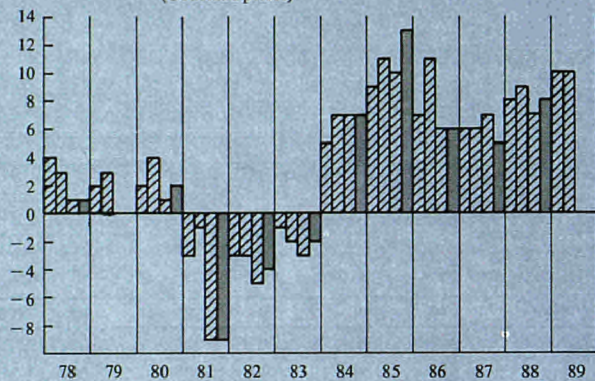
Source: European Community investment surveys.

GRAPH 3: Investment in manufacturing industry
(Community as whole)

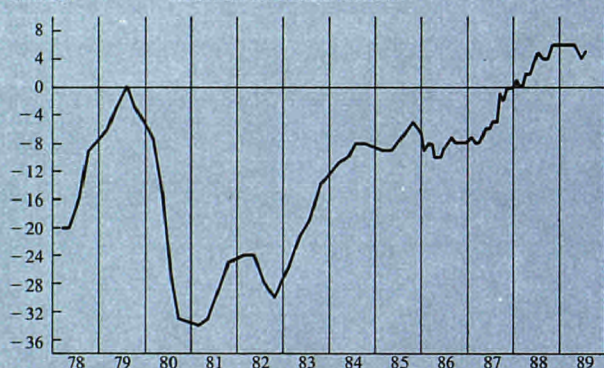
Yearly % change



Yearly % change¹
(Constant prices)

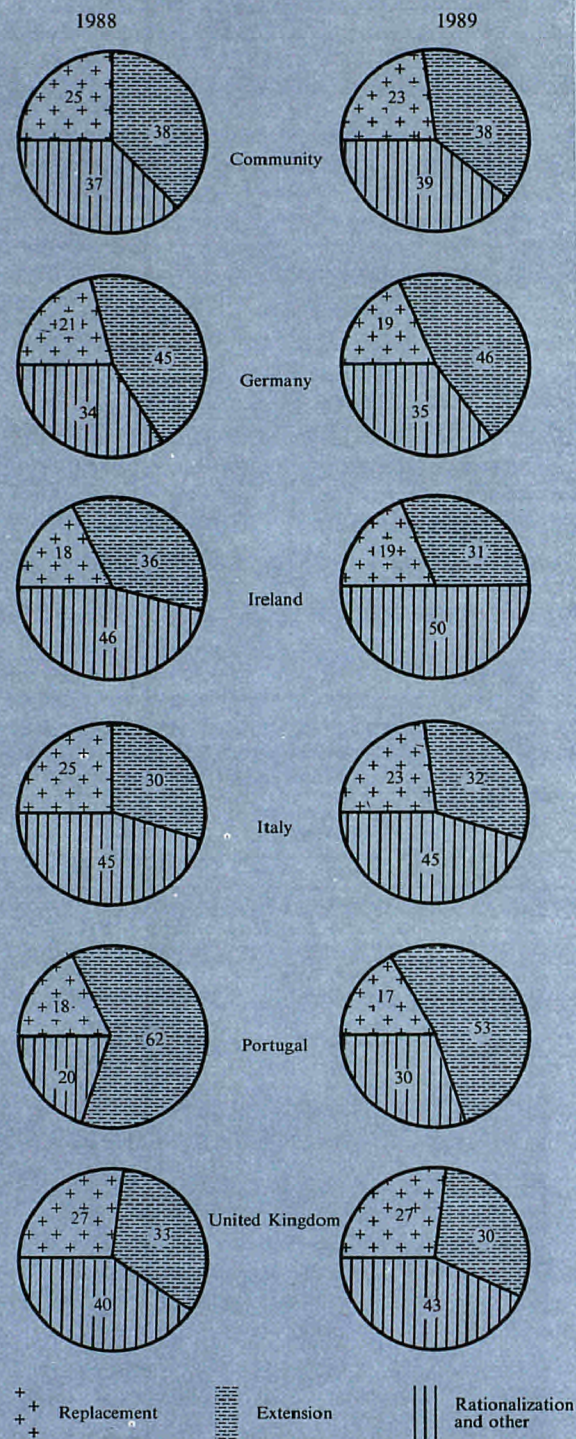


Balances Industrial confidence indicator



¹ For each year the first column represents the first estimate given in the autumn of the previous year; the second column is based on the spring survey results of the current year (April); the third column is the forecast for the current year according to the investment survey in October/November; the fourth column (actual) gives the reported rate of change according to the spring survey of the next year.
Source: EC investment survey.

GRAPH 4: Structure of industrial investment (%)



Source: EC investment survey of March/April 1989 for the 5 member countries mentioned on the graph. For the Community, surveys of March/April 1989 and October/November 1988 (see Supplement B of March 1989).

TABLE 5: Volume index of investment in the manufacturing industry (1981 = 100)^(a)

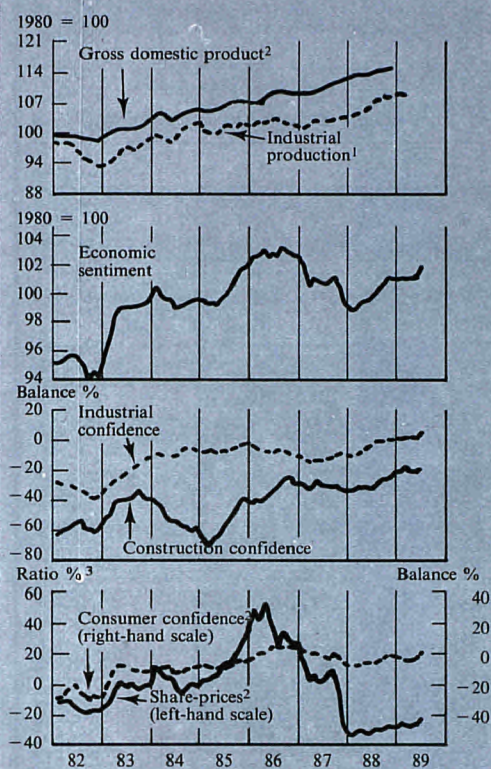
	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89
B	142	110	81	75	68	76	99	100	111	104	109	112	127	135	158	186
DK	:	:	:	:	:	:	:	100	98	108	150	197	203	221	234	267
D	92	88	90	89	93	99	107	100	98	96	95	112	124	128	131	142
GR	:	:	:	:	:	:	:	100	92	47	22	22	16	14	18	19
F	112	105	102	103	105	105	107	100	97	94	106	113	118	122	138	164
IRL	:	:	131	125	161	169	153	100	116	108	123	195	213	211	306	376
I	201	168	151	132	126	121	110	100	97	88	87	99	106	119	131	145
L	135	113	99	108	127	115	121	100	123	136	151	175	243	250	258	170
NL	:	:	107	117	114	107	115	100	95	99	126	155	160	160	149	146
UK	137	125	124	136	145	141	124	100	95	95	109	113	119	125	141	157
EUR	121	109	106	106	108	108	110	100	96	93	99	111	117	122	132	145

(a) These figures are based on the results of the EC Survey on realized investments after the application of the deflator of gross capital formation.

Source: European Community investment survey.

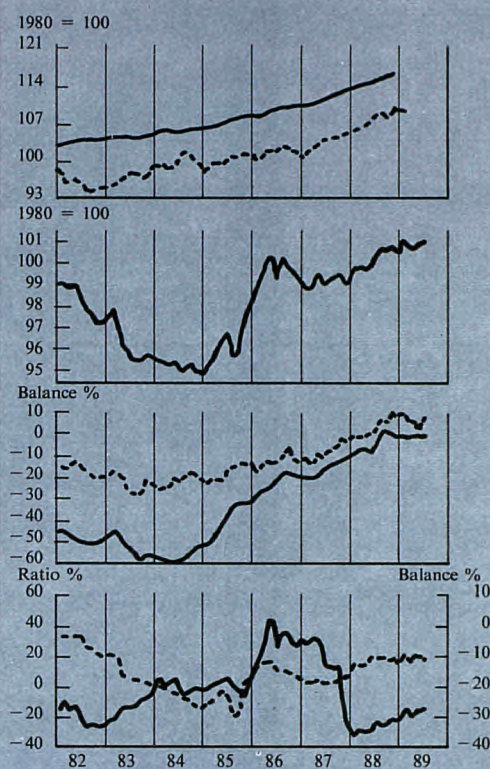
GRAPHS 5-10: Indicators of output and economic sentiment

GRAPH 5: Federal Republic of Germany



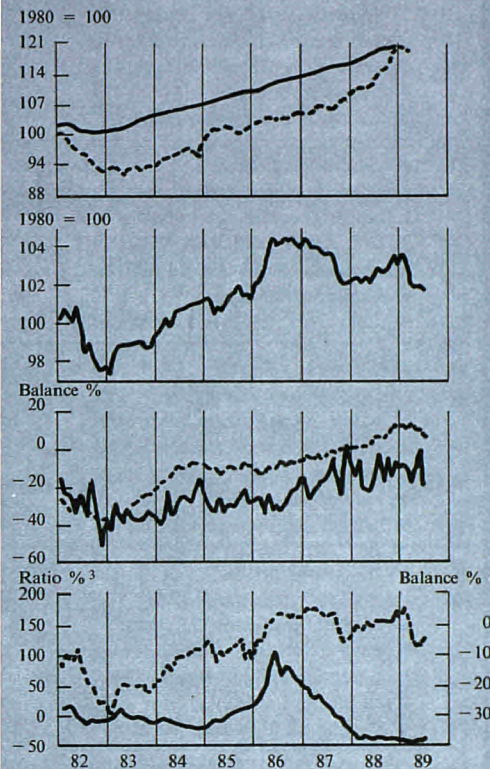
¹ Three-month moving average.
² See notes to Table 6.
³ Deviations from trend in %.

GRAPH 6: France



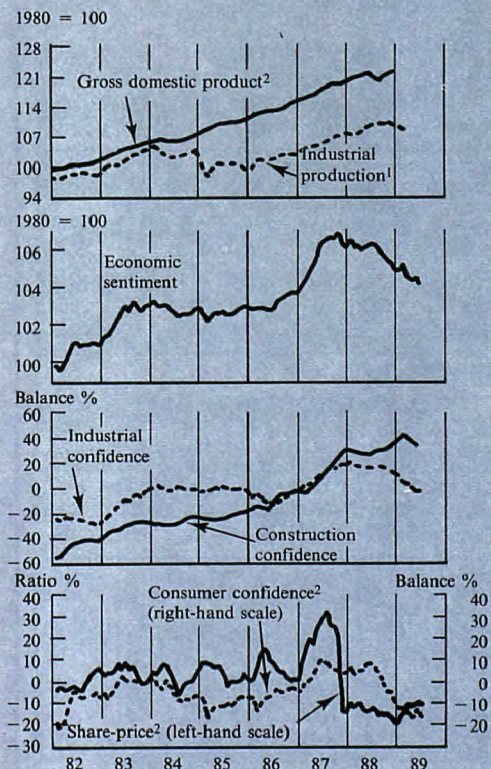
For explanations, see Graph 5.

GRAPH 7: Italy



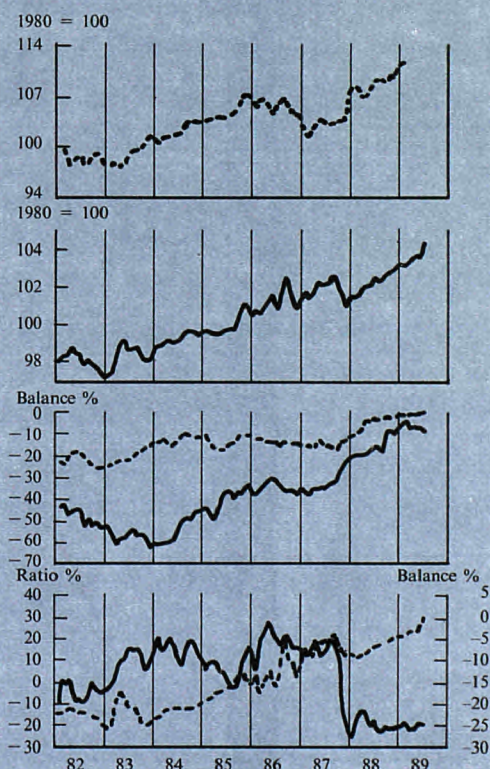
For explanation, see Graph 5.

GRAPH 8: United Kingdom



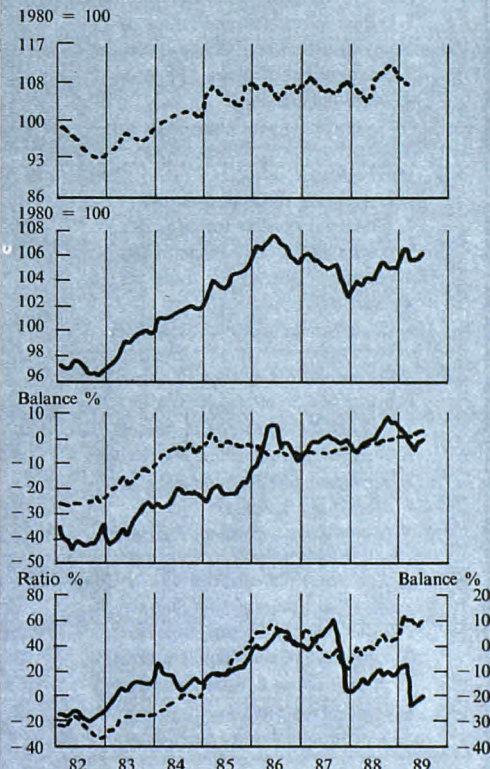
¹ Three-month moving average.
² See notes to Table 6.
³ Deviations from trend in %.

GRAPH 9: Belgium



For explanations, see Graph 5.

GRAPH 10: Netherlands



For explanations, see Graph 8.

TABLE 6: Indicators of output and economic sentiment

		Ranges				1988	1988	1989			1989					
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83			I	II		Jan.	Feb.	March	April	May	June
B	<i>gross domestic product</i>	1980 = 100				:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	102,5	76,5	106,3	92,4	108,3	109,4	:	:	:	113,6	111,5	:	:	:	:
	1. industrial confidence indicator	19	-56	-4	-35	-5	-2	-1	2		-1	-1	0	0	2	4
	2. construction confidence indicator	9	-36	-7	-65	-15	-8	-5	-6		-5	-3	-6	-5	-5	-7
	3. consumer confidence indicator (c)	7	-18	-7	-31	-6	-3	-2	1		-3	-2	-1	0	-1	4
	4. share-price index (c)	155,1	98,0	114,3	75,0	315,1	339,7	354,8	373,5		362,3	348,6	353,4	369,7	372,4	378,4
	= 5. economic sentiment indicator	109,0	98,9	103,9	96,8	103,1	103,9	104,3	104,9		104,2	104,2	104,4	104,7	104,6	105,5
DK	<i>gross domestic product</i>	1980 = 100				:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	:	:	107,7	95,5	101,7	101,7	:	:	:	:	:	:	:	:	:
	1. industrial confidence indicator	:	:	:	-22	-1	-1	4	4		4	(4)	(4)	4	(4)	(4)
	2. construction confidence indicator	:	:	:	-37	-10	-15	-12	-26		-12	(-12)	(-12)	-26	(-26)	(-26)
	3. consumer confidence indicator (c)	:	-16	5	-22	-16	-19	-17	-15		-20	-14	-17	-15	-13	-16
	4. share-price index (c)	:	:	:	:	394,4	461,0	493,6	557,8		500,6	477,3	502,9	530,8	553,1	589,4
	= 5. economic sentiment indicator	:	:	:	:	102,1	102,5	103,1	:		103,0	103,1	103,1	103,2	103,3	:
D	<i>gross domestic product</i>	1980 = 100				85,1	83,3	101,2	98,9	114,4	115,3	:	:	:	:	:
	<i>index of industrial production</i>	92,0	82,4	103,1	91,4	106,2	108,0	108,7	:		109,2	108,6	108,3	:	:	:
	1. industrial confidence indicator	10	-49	2	-40	-4	1	3	1		2	3	4	4	3	6
	2. construction confidence indicator	-4	-72	11	-64	-28	-23	-18	-19		-20	-16	-19	-19	-20	-18
	3. consumer confidence indicator (c)	:	-22	9	-31	-5	0	-3	-1		-2	-3	-3	-3	-2	2
	4. share-price index (c)	109,0	75,2	115,6	97,6	217,9	241,6	251,9	264,9		253,3	251,7	250,8	259,5	259,3	276,0
	= 5. economic sentiment indicator	103,8	97,0	103,6	94,7	100,1	101,2	101,1	101,5		101,1	101,2	101,1	101,2	101,2	102,0
F	<i>gross domestic product</i>	1980 = 100				85,4	84,2	99,8	102,4	116,1	117,1	:	:	:	:	:
	<i>index of industrial production</i>	96,7	82,2	105,2	94,8	106,9	108,5	109,6	:		110,5	109,7	108,7	:	:	:
	1. industrial confidence indicator	29	-49	5	-39	4	9	10	9		10	11	9	7	8	12
	2. construction confidence indicator	:	:	-17	-57	-4	-1	-2	0		-2	(-2)	(-2)	0	(0)	(0)
	3. consumer confidence indicator (c)	:	-9	3	-27	-11	-11	-10	-10		-9	-10	-11	-10	-10	-11
	4. share-price index (c)	86,6	53,6	101,2	82,7	317,6	370,4	411,3	436,8		411,4	413,7	408,8	425,5	433,7	451,2
	= 5. economic sentiment indicator	107,8	97,6	101,8	95,1	100,6	101,1	101,4	101,4		101,6	101,5	101,1	101,3	101,4	101,5
IRL	<i>gross domestic product</i>	1980 = 100				:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	80,4	72,3	103,8	99,6	126,0	133,2	:	:		138,2	135,4	:	:	:	:
	1. industrial confidence indicator	:	-41	20	-40	2	5	8	7		5	6	14	2	6	14
	2. construction confidence indicator	:	:	:	-60	-5	14	18	23		18	(18)	(18)	23	(23)	(23)
	3. consumer confidence indicator (c)	:	-41	12	-44	-16	-13	-8	-12		-9	-6	-8	-9	-15	-12
	4. share-price index (c)	85,8	29,9	112,2	79,4	327,7	351,1	369,1	:		344,8	375,3	387,1	:	:	:
	= 5. economic sentiment indicator	109,1	96,7	103,6	98,1	102,1	102,8	103,6	103,4		103,3	103,8	103,8	103,5	102,9	103,8
I	<i>gross domestic product</i>	1980 = 100				80,4	77,2	101,2	98,2	119,4	121,1	:	:	:	:	:
	<i>index of industrial production</i>	87,9	72,6	104,7	98,1	113,9	119,5	120,0	:		119,5	121,2	119,3	:	:	:
	1. industrial confidence indicator	31	-59	13	-41	6	12	12	9		12	11	13	11	10	6
	2. construction confidence indicator	-8	-56	-5	-51	-13	-11	-12	-10		-8	-11	-18	-8	-1	-21
	3. consumer confidence indicator (c)	:	-39	-12	-30	-4	-3	-4	-10		0	-4	-9	-11	-11	-9
	4. share-price index (c)	169,6	68,5	185,0	116,9	531,1	587,6	563,9	579,1		580,7	561,0	550,0	570,1	566,9	600,2
	= 5. economic sentiment indicator	103,8	97,4	101,6	97,6	102,8	103,3	102,9	101,8		103,6	102,9	102,1	101,9	101,9	101,7
NL	<i>gross domestic product</i>	1980 = 100				:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	94,8	87,1	117,5	90,7	101,2	104,1	101,6	:		101,9	102,8	100,0	:	:	:
	1. industrial confidence indicator	12	-44	4	-31	-2	0	1	2		1	0	1	2	3	2
	2. construction confidence indicator	3	-47	3	-46	1	6	0	-3		3	-1	-3	-5	-2	-1
	3. consumer confidence indicator (c)	6	-15	5	-37	1	2	11	9		12	10	10	9	8	10
	4. share-price index (c)	:	86,3	122,8	92,8	315,8	334,2	330,7	289,1		358,6	365,0	268,6	279,5	287,8	300,1
	= 5. economic sentiment indicator	107,8	100,7	105,3	97,1	107,0	107,7	108,6	107,7		109,3	108,9	107,5	107,5	107,6	108,0
UK	<i>gross domestic product</i>	1980 = 100				94,6	91,0	102,5	97,7	122,0	123,5	:	:	:	:	:
	<i>index of industrial production</i>	92,7	89,6	110,0	93,8	109,7	110,7	109,2	:		109,1	108,9	109,6	:	:	:
	1. industrial confidence indicator	:	:	9	-60	17	13	6	-1		10	5	3	1	-1	-2
	2. construction confidence indicator	:	:	7	-62	30	32	42	35		42	(42)	(42)	35	(35)	(35)
	3. consumer confidence indicator (c)	:	-33	14	-26	2	-7	-13	-15		-13	-11	-16	-17	-12	-17
	4. share-price index (c)	78,5	23,3	111,6	104,4	357,7	358,8	397,6	422,6		372,9	405,8	414,1	411,5	426,0	430,4
	= 5. economic sentiment indicator	103,8	97,7	104,9	98,8	106,0	105,3	105,1	104,5		105,1	105,3	104,8	104,5	104,7	104,2
EUR	<i>gross domestic product (a) (b)</i>	1980 = 100				85,1	85,5	101,1	101,0	117,7	119,0	:	:	:	:	:
	<i>index of industrial production</i>	92,9	83,0	103,2	94,6	108,0	110,5	110,9	:		111,6	111,2	110,0	:	:	:
	1. industrial confidence indicator	16	-49	3	-36	3	6	6	5		6	6	6	5	4	5
	2. construction confidence indicator	:	:	-1	-50	-5	-1	3	1		3	(4)	(2)	1	(2)	(0)
	3. consumer confidence indicator (c)	5	-17	1	-22	-5	-5	-6	-7		-5	-6	-8	-8	-7	-6
	4. share-price index (c)	:	47,0	115,4	111,7	326,0	348,2	373,6	393,0		367,0	378,4	375,5	382,8	391,7	404,9
	= 5. economic sentiment indicator	107,5	96,6	104,1	97,4	103,6	104,0	104,0	103,7		104,3	104,2	103,6	103,5	103,8	103,9

(a) Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK.

(b) For the Federal Republic of Germany, gross national product for quarterly data.

(c) Not seasonally adjusted.

TABLE 7: Monthly survey of manufacturing industry — Monthly questions and the composite industrial confidence indicator (a)
Balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Ranges (b)				1988	1988	1989		1989					
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83		IV	I	II	Jan.	Feb.	March	April	May	June
INDUSTRIAL CONFIDENCE INDICATOR	B	19	-56	-4	-35	-5	-2	-1	2	-1	-1	0	0	2	4
	DK	:	:	:	-22	-1	-1	4	4	4	:	:	4	:	:
	D	10	-49	2	-40	-4	1	3	4	2	3	4	4	3	6
	GR	:	:	:	:	-1	1	0	0	2	-2	0	0	-2	1
	E	:	:	:	:	-3	-2	-3	2	-4	-2	-2	-2	-2	-2
	F	29	-49	5	-39	4	9	10	9	10	11	9	7	8	12
	IRL	:	-41	20	-40	2	5	8	7	5	6	14	2	6	14
	I	31	-59	13	-41	6	12	12	9	12	11	13	11	10	6
	L	:	:	16	-65	4	4	7	9	3	8	10	12	6	8
	NL	12	-44	4	-31	-2	0	1	2	1	0	1	2	3	2
	P	:	:	11	-25	1	4	0	-1	1	0	-1	-1	1	-3
	UK	:	:	9	-60	17	13	6	-1	10	5	3	1	-1	-2
EUR		16	-49	3	-36	3	6	6	5	6	6	6	5	4	5
PRODUCTION EXPECTATIONS	B	31	-56	-4	-37	2	4	6	8	5	9	4	5	7	12
	DK	:	:	:	8	3	6	14	11	14	:	:	11	:	:
	D	17	-32	10	-30	5	9	8	10	7	9	9	9	8	12
	GR	:	:	:	:	20	22	25	15	23	24	27	19	10	16
	E	:	:	18	-20	10	12	8	10	8	7	9	7	11	12
	F	33	-29	18	-20	12	20	17	16	18	17	16	13	14	20
	IRL	:	-21	40	-33	9	17	17	15	13	12	27	7	17	21
	I	40	-43	24	26	16	25	27	25	27	26	27	24	27	24
	L	84	-80	40	-66	7	8	12	9	6	13	18	16	4	7
	NL	26	-26	20	-13	3	4	6	10	8	5	6	9	12	10
	P	:	:	30	-13	14	23	12	11	12	11	12	13	12	8
	UK	:	:	29	-52	31	28	21	13	25	20	17	12	15	11
EUR		24	-30	15	-24	13	17	16	15	16	16	15	13	15	16
ORDER BOOKS	B	13	-74	-14	-49	-12	-9	-6	-1	-6	-7	-4	-1	-1	0
	DK	:	:	:	-34	-2	-2	4	6	4	:	:	6	:	:
	D	5	-73	-6	-59	-12	-4	-1	4	-2	-2	2	4	3	4
	GR	:	:	:	:	-15	-11	-14	-11	-9	-17	-16	-13	-10	-11
	E	26	-45	:	:	-9	-7	-5	-6	-6	-6	-4	-4	-7	-8
	F	26	-69	0	-56	5	13	15	13	15	16	14	10	15	14
	IRL	:	-68	18	-55	-1	2	10	8	7	9	13	2	7	15
	I	30	-82	7	-66	2	8	10	5	9	9	12	9	5	2
	L	:	:	8	-70	3	4	8	14	2	10	13	16	16	11
	NL	7	-48	-5	-42	-7	-3	-2	-1	-2	-2	-1	-1	-1	-1
	P	:	:	3	-35	-6	-7	-7	-9	-6	-7	-8	-10	-5	-11
	UK	:	:	-2	-85	18	15	5	-3	11	1	2	4	-7	-5
EUR		15	-70	-7	-56	-1	4	4	3	5	3	5	5	3	2
EXPORT ORDER BOOKS	B	15	-82	-19	-55	-15	-11	-12	-4	-10	-16	-9	-6	-4	-3
	DK	:	:	:	14	7	7	11	16	11	:	:	16	:	:
	D	:	:	-14	-50	-18	-12	-4	0	-6	-4	-2	-2	0	1
	GR	:	:	:	:	-20	-19	-21	-21	-20	-26	-18	-25	-22	-16
	E*	:	:	:	:	-24	-19	-16	-19	-17	-10	-20	-18	-18	-20
	F	24	-66	10	-52	8	19	20	12	24	19	16	14	12	11
	IRL	:	:	:	:	16	20	14	10	11	18	12	4	12	13
	I	13	-67	-6	-59	-11	-3	-2	-3	-2	-3	0	-3	-4	-2
	L	:	:	9	-80	14	42	13	10	13	10	15	19	6	5
	NL	:	:	4	-35	-6	-1	-8	-6	-6	-9	-9	-7	-6	-5
	UK	:	:	-11	-72	4	-1	-10	-12	-5	-11	-13	-7	-13	-16
EUR		:	:	-12	-50	-8	-3	-1	-1	0	-2	-1	0	-1	-1
STOCKS OF FINISHED PRODUCTS	B	-14	37	2	18	3	1	3	1	2	5	1	3	0	-1
	DK	:	:	:	24	4	6	7	5	7	:	:	5	:	:
	D	-7	43	-2	31	3	1	0	0	0	-1	0	0	1	-1
	GR	:	:	:	:	10	7	11	4	9	13	12	6	6	1
	E	-17	24	15	35	11	10	10	10	14	7	10	10	9	11
	F	-14	50	3	42	6	6	2	2	4	-1	4	3	5	-3
	IRL	:	35	-6	33	2	3	2	0	5	4	-2	2	5	-6
	I	-24	53	-8	32	1	-2	0	4	1	1	-1	1	3	9
	L	-14	74	0	58	-1	1	1	-2	0	0	2	-4	2	-5
	NL	-3	57	3	39	3	1	2	2	2	2	3	1	2	2
	P	:	:	1	26	5	5	5	6	2	5	7	6	5	7
	UK	:	:	-1	42	-1	3	7	12	5	7	9	13	11	11
EUR		-10	48	-1	31	4	3	3	4	3	2	3	4	5	4
SELLING-PRICE EXPECTATIONS	B	64	-10	39	12	18	25	22	20	25	24	18	20	21	20
	DK	55	4	38	4	19	23	25	19	26	23	25	25	19	14
	GR	:	:	:	:	24	22	26	30	33	20	25	26	36	28
	E*	:	:	:	:	13	17	29	9	37	28	22	14	6	7
	F	76	15	62	17	20	29	24	21	25	25	21	22	22	19
	IRL	:	64	77	20	9	14	19	19	23	18	16	19	15	22
	I	76	10	87	37	22	27	32	29	32	31	32	29	29	28
	L	:	-46	74	-38	53	57	50	16	54	51	44	20	12	17
	P*	:	:	:	:	24	28	27	20	37	23	22	19	21	19
	UK	:	:	70	7	29	33	27	27	28	26	26	27	27	28
EUR		64	9	53	22	22	27	27	23	28	26	26	25	24	21

(a) The indicator is an average of the responses (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

(b) These are the extreme (high and low) values of the balances of the different questions, reached in the course of 1972-1975 and 1979-1983, respectively.

Note: (s.a.) = seasonally adjusted.

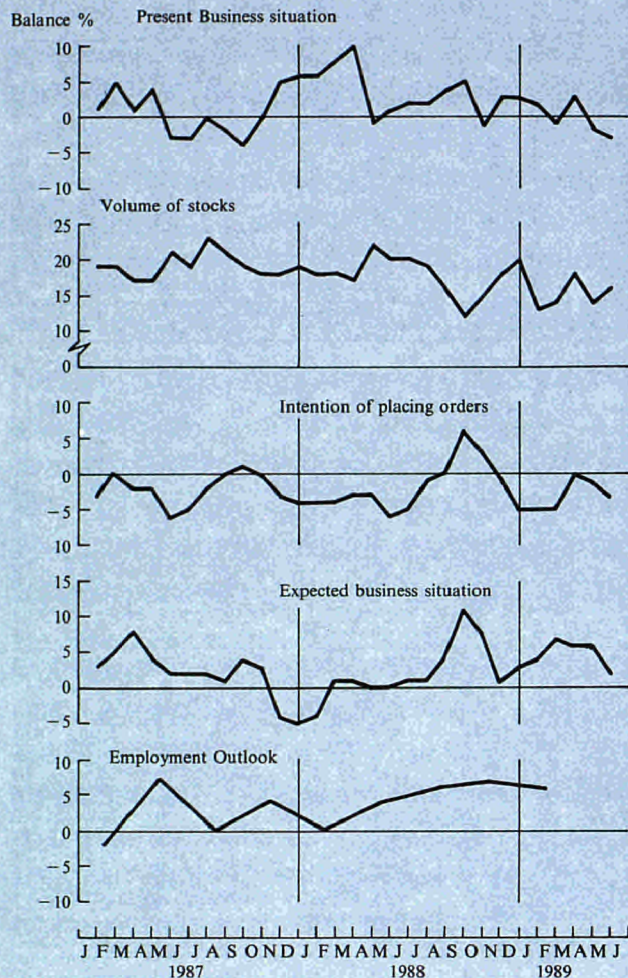
: = not available.

() = estimated.

* = figures not s.a.

Source: European Community business surveys.

GRAPH 11: Results of business surveys in the retail trade – European Community (n.s.a.)



GRAPH 12: Consumer survey results and objective economic indicators — European Community ⁷

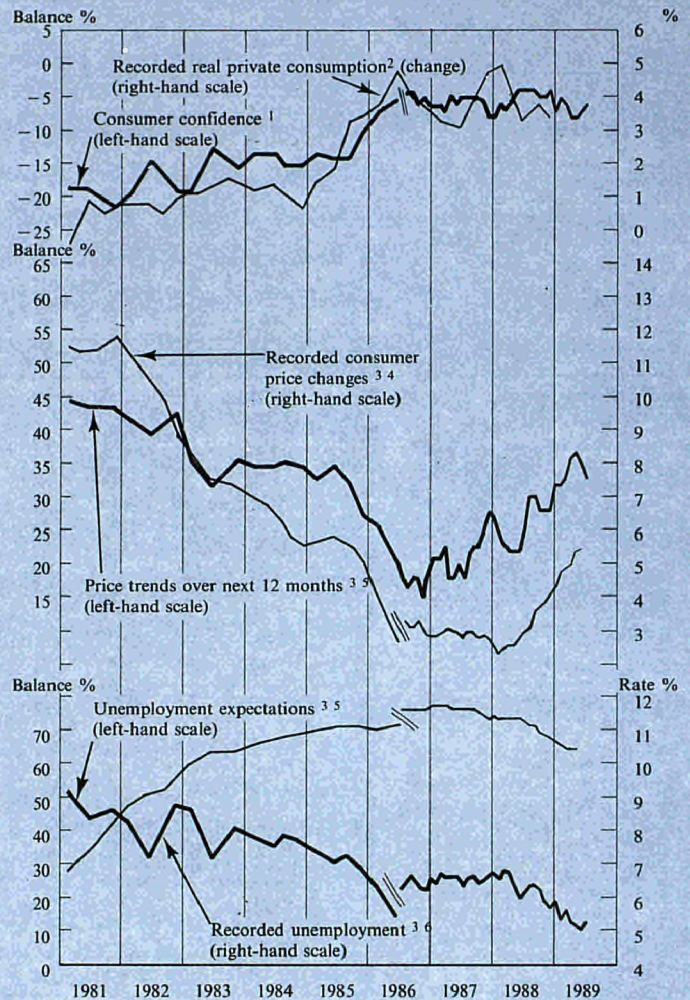


TABLE 8: Results of business surveys in the retail trade (a) (b) (f)

		1987			1988												1989					
		Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June
PRESENT BUSINESS SITUATION	B(d)	-13	-7	-12	-2	-4	7	-26	-9	-6	-11	0	5	-15	4	0	2	1	9	2	-3	:
	D	-3	7	10	-7	0	11	-8	-5	-10	-4	-8	4	-8	1	2	-2	-2	4	-7	-9	-8
	E	:	:	:	:	:	:	:	:	:	:	:	-1	-18	-28	-30	-24	-23	-1	-7	-26	-17
	F(c)	:	-11	:	1	:	-8	:	-11	:	-16	:	-11	:	-10	:	-6	:	-15	:	-6	:
	I(c)(d)	:	-1	:	0	:	3	:	0	:	4	:	11	:	6	:	9	:	1	:	3	:
	NL	45	35	35	32	26	30	30	30	47	40	31	37	41	31	38	38	28	44	36	42	48
	UK	22	20	24	38	37	27	10	21	27	23	46	17	8	27	24	15	-2	-6	-10	-4	-5
EUR (f)		(0)	5	(6)	6	(8)	9	(-1)	1	(2)	2	(4)	5	(-1)	3	(3)	2	(-1)	3	(-2)	-3	:
VOLUME OF STOCKS	B(d)	17	10	6	12	6	4	14	16	14	17	12	5	-6	15	18	10	13	3	11	10	:
	D	25	21	22	23	26	21	32	25	26	26	22	23	29	23	27	19	18	23	21	20	22
	E	:	:	:	:	:	:	:	:	:	:	:	-1	-2	-8	-10	-7	-4	13	-9	1	4
	F(c)	:	20	:	19	:	18	:	22	:	20	:	17	:	24	:	12	:	14	:	19	:
	I(c)(d)	:	23	:	19	:	18	:	22	:	15	:	16	:	24	:	20	:	15	:	25	:
	NL	16	18	17	16	15	21	21	20	7	14	11	12	11	13	12	9	10	10	9	11	10
	UK	6	7	13	8	8	9	18	6	13	12	1	-3	9	13	19	15	19	27	21	19	:
EUR (f)		(18)	18	(19)	18	(18)	17	(22)	20	(20)	19	(16)	12	(15)	18	(20)	13	(14)	18	(14)	16	:
INTENTIONS OF PLACING ORDERS	B(d)	-9	-14	-20	5	2	2	-2	-4	-11	3	6	12	-6	1	-10	7	4	0	6	-5	:
	D	3	-6	-7	-6	-5	-8	-11	-13	-12	-5	-2	6	-2	-6	-3	-1	-5	1	-2	-6	-5
	E	:	:	:	:	:	:	:	:	:	:	:	12	7	6	-3	-11	1	14	20	9	-2
	F(c)	:	-19	:	-28	:	-16	:	-20	:	-28	:	-13	:	-15	:	-26	:	-13	:	-24	:
	I(c)(d)	:	-12	:	-12	:	-8	:	-11	:	1	:	-5	:	-8	:	-6	:	-13	:	-16	:
	NL	4	6	6	1	6	1	-3	-1	-2	6	-1	-3	10	6	13	10	19	19	11	9	12
	UK	30	32	32	35	36	32	37	29	33	39	41	38	33	20	4	-2	-4	6	-8	-11	-20
EUR (f)		(0)	-3	(-4)	-4	(-4)	-2	(-3)	-6	(-5)	-1	(0)	6	(3)	-1	(-5)	-5	(-5)	0	(-1)	-3	:
EXPECTED BUSINESS SITUATION	B(d)	8	3	-18	12	19	15	2	0	-4	17	15	17	3	11	-7	19	26	18	8	-4	:
	D	7	-1	-1	1	11	4	1	0	5	-1	9	12	6	-2	9	6	14	1	8	2	10
	E	:	:	:	:	:	:	:	:	:	:	:	27	14	12	7	15	23	47	40	24	24
	F(c)	:	-44	:	-47	:	-38	:	-35	:	-36	:	-23	:	-24	:	-31	:	-23	:	-17	:
	I(c)(d)	:	2	:	1	:	9	:	-1	:	3	:	7	:	3	:	10	:	-3	:	-1	:
	NL	22	20	23	18	26	18	18	19	16	25	19	19	26	22	32	29	35	43	30	29	33
	UK	:	28	:	:	35	:	:	40	:	:	43	:	:	20	:	17	14	24	7	18	6
EUR (f)		:	-4	:	(-4)	(1)	(2)	:	0	:	(1)	(4)	(11)	(8)	1	(3)	4	(7)	6	(6)	2	:

(a) not seasonally adjusted; (b) percentage balances; (c) bi-monthly; (d) excl. large multiple shops; (e) refers to volume of sales for the time of the year. (f) Spain participates in the retail trade business survey from September 1988 onwards and Portugal from January 1989 onwards; () = estimation.

Source: EC Survey in the retail trade.

TABLE 9: Survey of the construction industry

Balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Range		Range		1988	1988	1989		1989					
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83			I	II	Jan.	Feb.	March	April	May	June
B	order-books	-13	-47	-20	-76	-27	-20	-14	-16	-16	-14	-13	-15	-15	-18
	employment expectations	+31	-24	+7	-53	-2	+5	+6	+5	+7	+9	+1	+6	+5	+4
	price expectations	+75	+25	+61	-18	+15	+17	+22	+21	+25	+21	+19	+20	+21	+24
	construction confidence indicator (a)	+9	-36	-7	-65	-15	-8	-5	-6	-5	-3	-6	-5	-5	-7
DK	order-books	:	:	:	-38	-13	-23	-15	-26	-15	(-15)	(-15)	-26	(-26)	(-26)
	employment expectations	:	:	:	-35	-8	-7	-9	-25	-9	(-9)	(-9)	-25	(-25)	(-25)
	construction confidence indicator (a)	:	:	:	-36	-10	-15	-12	-26	-12	(-12)	(-12)	-26	(-26)	(-26)
D	order-books	-17	-84	+2	-75	-47	-41	-37	-35	-38	-36	-38	-37	-36	-33
	employment expectations	+10	-60	+20	-53	-9	-5	+1	-2	-2	+5	+1	-1	-3	-2
	price expectations	+48	-37	+48	-49	-3	+3	+13	+15	+11	+14	+14	+16	+13	+16
	construction confidence indicator (a)	-4	-72	+11	-64	-28	-23	-18	-19	-20	-16	-19	-19	-20	-18
GR	order-books	:	:	:	-78	-65	-63	-46	-71	-46	(-46)	(-46)	-71	(-71)	(-71)
	employment expectations	:	:	:	-77	+9	+5	+6	-4	+6	(+6)	(+6)	-4	(-4)	(-4)
	price expectations	:	:	:	+9	+5	-1	+18	+12	+18	(+18)	(+18)	+12	(+12)	(+12)
	construction confidence indicator (a)	:	:	:	-78	-28	-29	-20	-38	-20	(-20)	(-20)	-38	(-38)	(-38)
F	order-books	:	:	-26	-73	-9	-5	-4	-8	-4	(-4)	(-4)	-8	(-8)	(-8)
	employment expectations	:	:	-8	-47	+2	+3	+1	+8	+1	(+1)	(+1)	+8	(+8)	(+8)
	construction confidence indicator (a)	:	:	-17	-57	-4	-1	-2	0	-2	(-2)	(-2)	0	(0)	(0)
IRL	order-books	:	:	:	-58	-6	+17	+18	+8	+18	(+18)	(+18)	+8	(+8)	(+8)
	employment expectations	:	:	:	-61	-3	+10	+18	+37	+18	(+18)	(+18)	+37	(+37)	(+37)
	price expectations	:	:	:	:	-7	+22	+16	+28	+16	(+16)	(+16)	+28	(+28)	(+28)
	construction confidence indicator (a)	:	:	:	-60	-5	+14	+18	+23	+18	(+18)	(+18)	+23	(+23)	(+23)
I	order-books	-25	-68	-8	-62	-17	-13	-17	-8	-22	-10	-19	-5	+7	-25
	employment expectations	+10	-44	+2	-39	-9	-8	-7	-12	+6	-11	-16	-10	-4	-16
	price expectations	+85	+30	+79	+2	+25	+27	+29	+26	+35	+16	+38	+43	+32	+4
	construction confidence indicator (a)	-8	-56	-5	-51	-13	-11	-12	-10	-8	-11	-18	-8	-1	-21
L	order-books	+21	-50	+15	-79	-8	-13	-21	-27	-26	-24	-14	-23	-21	-10
	employment expectations	+31	-39	+46	-75	-5	-10	-2	-3	-17	+8	+3	-6	-4	+1
	price expectations	+82	+11	+81	-49	-15	-19	-14	-16	-23	-18	-2	-23	-14	-10
	construction confidence indicator (a)	+26	-45	+31	-77	-7	-12	-12	-11	-22	-8	-6	-15	-13	-5
NL	order-books	-8	-81	-10	-61	-3	-1	-5	-6	-4	-6	-4	-8	-5	-5
	employment expectations	+14	-13	+15	-31	+6	+13	+4	+2	+9	+5	-1	-1	+2	+4
	price expectations	:	:	:	:	+17	+25	+33	+32	+28	+30	+41	+33	+29	+34
	construction confidence indicator (a)	+3	+47	+3	-46	+1	+6	0	-3	+3	-1	-3	-5	-2	-1
UK	order-books	:	:	-1	-74	+19	+25	+33	+35	+33	(+33)	(+33)	+35	(+35)	(+35)
	employment expectations	:	:	+15	-50	+40	+39	+51	+35	+51	(+51)	(+51)	+35	(+35)	(+35)
	price expectations	:	:	+74	-21	+67	+70	+68	+64	+68	(+68)	(+68)	+64	(+64)	(+64)
	construction confidence indicator (a)	:	:	+7	-62	+30	+32	+42	+35	+42	(+42)	(+42)	+35	(+35)	(+35)
EUR	order-books	:	:	-9	-64	-16	-10	-7	-7	-8	(-6)	(-8)	-7	(-5)	(-8)
	employment expectations	:	:	+7	-35	+7	+9	+12	+9	+13	(+13)	(+11)	+9	(+9)	(+8)
	construction confidence indicator (a)	:	:	-1	-50	-5	-1	+3	+1	+3	(+4)	(+2)	+1	(+2)	(0)

(a) The indicator is an average of the responses (balances) to the questions on order-books and employment expectations.

Source: European Community business surveys.

TABLE 10: Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988			1989					
											Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June
CONSUMER CONFIDENCE INDICATOR (b)	B	-20	-27	-27	-28	-27	-21	-17	-12	-6	-4	-3	-2	-3	-2	-1	0	-1	4
	DK	-19	-17	-12	0	6	4	-3	-10	-16	-16	-18	-22	-20	-14	-17	-15	-13	-16
	D	-5	-22	-26	-15	-10	-7	3	-1	-5	0	0	-1	-2	-3	-3	-3	-2	2
	GR	:	:	0	-11	-4	-5	-20	-29	-21	-19	-21	-21	-16	-15	-14	-11	-7	-8
	E	:	:	:	:	:	:	-9	-8	-2	2	-2	-3	1	-3	-3	-1	1	5
	F	-10	-9	-5	-15	-23	-21	-14	-18	-11	-11	-10	-13	-9	-10	-11	-9	-10	-11
	IRL	-22	-28	-34	-39	-33	-29	-28	-29	-16	-16	-12	-12	-9	-6	-8	-9	-15	-12
	I	-22	-22	-18	-24	-15	-12	-4	-4	-4	-4	-1	-4	0	-4	-9	-11	-11	-9
	NL	-25	-31	-32	-30	-22	-7	5	-2	1	2	3	2	12	10	10	9	8	10
	P	:	:	:	:	:	:	-7	0	-8	-7	-6	-6	-14	-11	-9	-12	-17	-9
	UK	-18	-21	-12	-3	-4	-10	-7	5	2	-5	-4	-12	-13	-11	-16	-17	-12	-17
	EUR (c)	-13	-19	-17	-15	-14	-12	-6	-6	-5	-5	-4	-7	-5	-6	-8	-8	-7	-6
FINANCIAL SITUATION OF HOUSEHOLDS	B	-15	-19	-25	-29	-31	-23	-14	-9	-5	-4	-4	-3	-4	-4	-4	-2	-4	-1
	DK	-10	-12	-7	-4	-2	-3	-2	-1	-5	-5	-2	-5	-6	-7	-8	-5	-6	-5
	D	-4	-16	-18	-14	-11	-8	1	1	0	2	0	2	-3	-2	-3	-2	-2	1
	GR	:	:	-2	-13	-8	-8	-24	-31	-21	-18	-22	-20	-18	-15	-15	-13	-10	-10
	E	:	:	:	:	:	:	-10	-9	-4	-2	-6	-6	-2	-5	-7	-3	-3	-2
	F	-7	-8	-7	-11	-15	-13	-11	-14	-9	-8	-8	-10	-8	-6	-7	-5	-5	-6
	IRL	-32	-38	-41	-43	-42	-37	-34	-31	-23	-22	-18	-19	-19	-16	-18	-19	-20	-19
	I	-14	-14	-13	-15	-12	-10	-6	-4	-3	-4	-2	-3	0	-2	-4	-5	-6	-6
	NL	-9	-18	-20	-28	-26	-17	-3	0	2	1	3	0	6	6	6	6	6	6
	P	:	:	:	:	:	:	-8	-2	-5	-6	-6	-4	-9	-8	-7	-9	-13	-5
	UK	-24	-30	-27	-15	-15	-16	-13	-5	-6	-11	-6	-11	-10	-13	-17	-19	-14	-16
	EUR (c)	-11	-17	-16	-15	-15	-12	-8	-6	-5	-5	-4	-5	-5	-5	-7	-6	-6	-5

— over last 12 months

TABLE 10 (continued): Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988			1989					
											Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June
FINANCIAL SITUATION OF HOUSEHOLDS (continued)	B	-6	-9	-12	-15	-18	-13	-5	-1	2	2	1	4	2	4	3	3	3	4
	DK	8	4	2	0	3	3	2	2	1	2	-1	-3	0	-1	-2	1	-1	-1
	D	-3	-12	-14	-9	-6	-4	2	1	-1	1	0	0	-2	-1	0	1	1	2
	GR	:	:	15	0	6	2	-12	-21	-13	-12	-12	-15	-7	-4	-3	1	4	3
	E	:	:	:	:	:	:	3	2	5	5	3	4	6	5	3	4	5	7
	F	-2	0	0	-4	-7	-3	-2	-4	1	0	2	0	2	1	1	1	2	2
	IRL	-19	-24	-23	-26	-22	-22	-15	-15	-9	-9	-7	-7	-6	-6	-6	-6	-8	-8
	I	-10	-8	-6	-8	-3	-2	1	2	2	1	3	2	4	3	0	-2	0	1
	NL	-9	-13	-14	-21	-17	-6	2	2	4	3	6	4	8	7	6	6	6	8
	P	:	:	:	:	:	:	2	5	-1	-1	-3	-2	-6	-4	0	-3	-4	2
— over next 12 months	UK	-13	-15	-9	-2	-3	-5	-3	4	1	-2	4	-4	-5	-9	-8	-10	-4	-10
	EUR (c)	-6	-9	-8	-7	-8	-4	0	0	1	1	2	0	0	0	-1	-1	1	0
GENERAL ECONOMIC SITUATION	B	-58	-69	-68	-62	-57	-33	-29	-20	-17	-13	-11	-10	-9	-6	-3	-2	-4	4
	DK	-56	-47	-42	-4	4	2	-10	-22	-31	-34	-34	-35	-31	-27	-28	-27	-25	-26
	D	-18	-46	-51	-29	-14	-11	7	-2	-9	-1	0	2	-2	-5	-4	-5	-5	6
	GR	:	:	-2	-11	-4	-10	-28	-34	-22	-20	-24	-24	-23	-21	-21	-17	-14	-17
	E	:	:	:	:	:	:	-15	-18	-9	-8	-9	-12	-7	-11	-12	-7	-4	1
	F	-39	-37	-28	-41	-54	-52	-34	-39	-29	-27	-26	-32	-27	-26	-26	-25	-25	-27
	IRL	-56	-66	-74	-77	-65	-61	-58	-58	-30	-30	-18	-17	-15	-12	-12	-14	-22	-18
	I	-57	-60	-51	-57	-36	-26	-10	-7	-12	-11	-4	-11	-4	-11	-20	-26	-24	-24
	NL	-55	-64	-64	-54	-19	8	18	-1	1	9	10	15	21	21	19	19	16	16
	P	:	:	:	:	:	:	-5	5	-5	-4	-7	-8	-14	-10	-12	-13	-18	-15
— over last 12 months	UK	-55	-62	-40	-23	-25	-37	-29	-4	-4	-13	-16	-23	-25	-21	-32	-31	-25	-37
	EUR (c)	-41	-51	-44	-37	-31	-28	-15	-14	-13	-12	-11	-14	-12	-13	-17	-17	-15	-14
— over next 12 months	B	-45	-51	-43	-38	-33	-17	-12	-9	-6	-1	0	-1	-2	-2	1	3	-3	3
	DK	-42	-29	-23	3	6	4	-7	-15	-22	-25	-27	-30	-24	-16	-20	-17	-16	-17
	D	-19	-33	-32	-14	-10	-6	3	-8	-13	-5	-5	-6	-5	-9	-6	-5	-4	1
	GR	:	:	25	6	10	3	-13	-22	-13	-13	-14	-15	-11	-9	-8	-4	-1	0
	E	:	:	:	:	:	:	3	-2	2	2	-2	1	2	-1	-4	-1	1	8
	F	-40	-27	-23	-36	-45	-34	-18	-24	-12	-13	-10	-15	-9	-12	-14	-13	-14	-15
	IRL	-35	-38	-42	-45	-29	-26	-26	-29	-10	-11	-3	-3	-3	3	0	-1	-10	-3
	I	-30	-30	-24	-25	-9	-8	3	-2	-2	-2	5	0	3	-5	-12	-13	-13	-10
	NL	-48	-42	-42	-28	-5	10	12	-8	-4	4	6	9	11	9	10	9	4	8
	P	:	:	:	:	:	:	5	9	-2	-1	-2	-7	-9	-4	-6	-9	-8	-6
PRICE TRENDS	UK	-24	-23	-10	-5	-10	-16	-14	4	-5	-11	-13	-18	-17	-13	-20	-19	-14	-20
	EUR (c)	-30	-30	-24	-21	-18	-14	-5	-8	-7	-7	-5	-8	-6	-8	-10	-9	-9	-7
— over last 12 months	B	65	69	77	78	78	72	49	32	24	25	26	28	35	38	35	36	42	37
	DK	50	51	48	26	26	26	10	0	3	-1	-2	0	-1	-2	-1	5	5	4
	D	44	52	46	23	15	9	-15	-14	-2	-1	-1	5	10	14	16	23	24	21
	GR	:	:	15	30	24	26	39	42	26	25	26	30	25	22	22	21	22	18
	E	:	:	:	:	:	:	46	35	29	39	37	39	39	43	44	41	44	38
	F	79	77	62	55	58	44	12	12	5	10	7	10	9	10	11	17	20	22
	IRL	85	87	87	80	71	59	47	35	28	25	27	28	31	24	26	28	35	38
	I	80	79	72	69	55	49	36	29	34	34	31	35	35	39	45	48	46	46
	NL	62	68	63	43	41	22	-2	-19	-12	-6	-8	-2	-9	-11	-5	2	3	1
	P	:	:	:	:	:	:	31	30	45	46	47	51	51	49	53	59	54	57
— over next 12 months	UK	59	41	31	15	19	24	15	11	18	25	28	27	29	32	32	35	35	36
	EUR (c)	63	62	53	40	37	30	13	11	14	17	17	20	21	23	25	29	30	29
— over next 12 months	B	42	40	45	40	37	36	27	19	21	26	25	29	34	35	32	32	36	31
	DK	38	31	31	12	16	15	7	6	4	0	1	0	-5	-4	-1	1	2	3
	D	51	50	43	30	28	25	5	12	24	22	24	29	31	30	32	37	32	26
	GR	:	:	25	37	38	42	44	47	35	33	36	38	39	36	37	38	38	38
	E	:	:	:	:	:	:	19	18	14	20	22	24	23	24	27	23	23	21
	F	50	39	42	37	32	27	19	12	7	12	10	15	12	12	16	19	19	20
	IRL	56	52	46	39	35	32	23	25	20	19	21	25	26	21	17	25	36	32
	I	60	58	56	54	46	48	35	42	45	45	39	46	53	55	60	57	57	50
	NL	61	52	50	38	25	17	6	2	14	20	15	19	10	17	20	29	25	26
	P	:	:	:	:	:	:	14	17	30	31	32	42	42	36	37	47	39	41
UNEMPLOYMENT	UK	43	31	29	27	40	43	32	36	48	51	55	56	53	52	55	53	48	52
	EUR (c)	51	44	42	35	35	32	20	22	26	28	28	32	33	33	36	37	35	33
— over next 12 months	B	57	67	60	57	44	37	33	35	22	16	11	11	12	14	7	9	9	6
	DK	39	37	29	30	5	-4	1	29	36	37	40	46	37	32	40	33	28	29
	D	20	43	43	30	20	16	4	19	26	15	17	19	17	20	15	9	6	2
	GR	:	:	11	10	11	17	31	36	25	21	24	21	24	23	20	20	17	17
	E	:	:	:	:	:	:	26	31	21	14	19	20	15	19	12	13	9	6
	F	47	43	30	41	62	50	33	39	28	31	15	19	10	21	14	10	10	22
	IRL	34	47	56	67	52	48	45	45	33	32	22	20	21	22	23	23	25	18
	I	51	52	56	57	49	47	39	40	42	40	36	38	31	36	35	39	33	33
	NL	59	72	72	67	36	0	-11	8	14	8	8	9	4	4	3	4	9	4
	P	:	:	:	:	:	:	27	15	11	4	3	6	6	4	5	5	5	9
— over next 12 months	UK	58	50	34	37	32	35	32	7	-3	-3	-1	1	-2	-5	-3	-5	-3	2
	EUR (c)	43	48	42	41	38	32	23	26	23	19	17	19	14	17	14	12	11	13

TABLE 10 (continued): Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988			1989					
											Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June
MAJOR PURCHASES	B	23	15	13	6	6	-18	-26	-21	-5	-4	-3	-1	-3	-3	0	0	4	8
	DK	21	10	16	7	14	14	0	-15	-21	-16	-28	-37	-39	-17	-24	-26	-19	-33
	D	18	-1	-17	-8	-9	-8	4	4	-1	2	4	-3	2	2	-1	-2	-1	1
	GR	:	:	-35	-35	-24	-20	-22	-36	-34	-32	-32	-31	-22	-23	-24	-22	-16	-16
	E	:	:	:	:	:	:	-27	-14	-4	13	3	-3	5	-4	3	3	7	13
	F	39	28	30	19	6	-4	-3	-8	-6	-8	-9	-8	-3	-8	-8	-5	-8	-10
	IRL	30	24	13	-6	-9	-2	-10	-11	-8	-7	-12	-13	-1	0	-2	-6	-13	-14
	I	2	4	1	-13	-15	-15	-8	-8	-6	-4	-5	-6	-4	-6	-11	-11	-11	-9
	NL	-2	-17	-21	-18	-44	-29	-6	-3	0	-6	-9	-19	12	7	9	5	10	13
	P	:	:	:	:	:	:	-28	-17	-26	-21	-12	-10	-30	-28	-22	-26	-42	-23
	UK	28	26	25	32	31	24	24	24	23	11	14	-5	-6	0	-4	-5	-2	-5
— at present		EUR (c)	22	12	6	5	0	-3	0	-1	0	-1	-6	-2	-3	-5	-5	-4	-3
— over next 12 months	B	-26	-28	-28	-30	-28	-30	-28	-20	-17	-18	-16	-16	-20	-16	-13	-15	-18	-14
	DK	-14	-12	-10	-8	-7	-8	-12	-11	-13	-11	-12	-13	-9	-8	-14	-12	-13	-13
	D	-19	-25	-28	-29	-28	-26	-20	-20	-21	-19	-20	-20	-21	-20	-21	-19	-21	-20
	GR	:	:	-24	-33	-38	-33	-42	-45	-39	-30	-30	-32	-28	-33	-31	-35	-38	-40
	E	:	:	:	:	:	:	-26	-23	-22	-25	-21	-18	-24	-27	-19	-27	-19	-18
	F	-18	-13	-9	-10	-10	-9	-3	0	0	0	0	0	0	0	0	0	0	0
	IRL	-19	-22	-27	-31	-25	-22	-20	-19	-12	-14	-12	-8	-7	-10	-13	-5	-10	-6
	I	-17	-18	-22	-22	-21	-21	-21	-21	-21	-20	-24	-21	-20	-21	-20	-22	-20	-21
	NL	-23	-27	-27	-29	-27	-20	-15	-12	-12	-13	-9	-10	-10	-14	-11	-9	-10	-14
	P	:	:	:	:	:	:	6	5	4	4	10	13	16	15	13	10	0	4
	UK	-14	-19	-18	-15	-12	-14	-12	-10	-11	-12	-11	-14	-15	-13	-15	-12	-12	-14
		EUR (c)	-17	-20	-20	-21	-19	-18	-16	-14	-14	-14	-14	-15	-14	-14	-14	-14	-14
SAVINGS	B	38	41	40	46	46	46	43	52	57	56	59	62	57	62	58	57	62	60
	DK	15	23	26	40	41	50	46	50	48	55	49	41	57	38	39	52	46	51
	D	43	32	27	33	38	41	44	43	34	39	37	37	33	34	33	39	42	44
	GR	:	:	-25	-29	-20	-18	-51	-40	-36	-34	-28	-30	-27	-29	-25	-24	-25	-21
	E	:	:	:	:	:	:	36	43	43	44	43	43	50	43	43	43	41	49
	F	-3	-2	-5	0	6	11	12	20	25	27	27	30	33	30	26	26	31	32
	IRL	5	-3	-9	-3	-8	-1	-3	-7	1	-7	10	5	9	6	8	5	4	11
	I	-6	-7	10	21	33	37	47	49	48	47	55	48	47	51	43	50	45	49
	NL	19	27	38	35	34	41	48	50	54	57	58	58	55	60	55	60	60	58
	P	:	:	:	:	:	:	-42	-27	-40	-42	-37	-39	-42	-51	-46	-47	-51	-44
	UK	6	5	5	10	17	20	23	31	30	33	32	29	42	36	35	32	34	36
— at present		EUR (c)	15	12	12	19	24	29	31	35	36	37	36	38	37	34	36	38	40
— over next 12 months	B	-20	-21	-25	-26	-27	-33	-9	-3	2	-4	5	4	-1	5	4	0	8	7
	DK	-20	-19	-18	-12	-11	-7	-6	-5	-7	-7	-11	-15	-3	-8	-13	-6	-11	-8
	D	44	23	-2	1	3	11	13	13	13	16	14	15	12	14	10	18	16	15
	GR	:	:	-37	-41	-39	-40	-47	-57	-48	-49	-46	-49	-40	-40	-41	-42	-36	-31
	E	:	:	:	:	:	:	-39	-35	-33	-34	-38	-36	-31	-42	-37	-36	-31	-26
	F	-32	-32	-32	-35	-37	-36	-31	-34	-29	-29	-30	-28	-24	-27	-25	-26	-26	-23
	IRL	-13	-19	-22	-25	-37	-28	-30	-31	-25	-31	-19	-21	-26	-22	-21	-22	-21	-18
	I	-32	-30	-22	-27	-20	-17	-10	-6	-3	-3	0	-5	-2	-3	-8	-10	-10	-4
	NL	0	-1	-3	-8	-2	6	12	17	25	23	30	24	27	27	28	34	29	27
	P	:	:	:	:	:	:	-39	-27	-30	-30	-27	-31	-36	-38	-34	-36	-41	-31
	UK	-16	-20	-17	-13	-12	-14	-12	-6	-6	-5	-7	-13	-5	-8	-15	-13	-11	-11
		EUR (c)	-4	-11	-17	-17	-16	-15	-11	-10	-8	-8	-9	-7	-8	-10	-9	-8	-6
FINANCIAL SITUATION OF HOUSEHOLDS	B	9	7	6	5	6	5	13	14	17	16	16	17	16	16	16	17	18	16
	DK	4	4	4	8	8	11	10	10	11	12	12	11	13	11	10	13	10	11
	D	21	16	12	11	11	12	17	17	18	19	18	20	19	21	19	22	22	21
	GR	:	:	0	0	2	3	1	-2	2	5	2	4	3	5	4	4	5	7
	E	:	:	:	:	:	:	5	5	7	6	5	6	8	6	6	7	8	9
	F	8	8	8	6	4	3	3	0	2	2	0	1	2	3	3	4	2	6
	IRL	2	-4	-1	-1	-1	-1	-1	-1	2	2	5	4	2	3	4	1	5	4
	I	8	8	13	9	11	12	15	16	18	17	20	16	17	16	16	15	15	17
	NL	19	18	17	15	13	16	19	19	21	20	21	20	21	22	21	24	22	23
	P	:	:	:	:	:	:	2	8	7	8	6	4	9	6	5	7	5	5
	UK	8	9	9	12	12	11	11	14	14	15	15	14	14	13	9	11	10	11
— indicator of net acquisition of financial assets		EUR (c)	12	11	10	9	9	11	11	12	13	12	12	13	13	12	13	12	14

(a) The sum of the replies for each Member State are weighted in the Community total with the value of consumers' expenditure.

(b) The indicator represents the arithmetic average of results for five questions, namely the two on the financial situation of the household, the two on the general economic situation, and that concerning major purchases at present.

(c) If monthly data are not available, the EUR-averages incorporate the most recent available results.

¹ The climate of consumer confidence is measured by an indicator based on five questions in the consumer survey. These are the questions relating to the general economic situation, the household financial situation and to major purchases of durable goods.² Quarterly data; percentage change on corresponding quarter of preceding year.³ Quarterly data; monthly from May 1986 onwards.⁴ Percentage changes on corresponding quarter resp. month of preceding year.⁵ See table 10 for data and notes.⁶ Seasonally adjusted.⁷ EUR 10 up to May 1986; EUR 12 from June onwards.

Source: European Community consumer survey.

Institutes carrying out the surveys

Country	Survey: Manufacturing industry	Construction	Investment	Retail sale	Consumer
Belgium	BNB Banque Nationale de Belgique	BNB	BNB	BNB	DIMARSO Gallup Belgium
Denmark	DS Danmarks Statistik	DS	DS	—	DS
Federal Republic of Germany	IFO Institut für Wirtschafts-forschung	IFO	IFO	IFO	GfK Marktforschung
Greece	IEIR Institute of Economic and Industrial Research	IEIR	IEIR	—	NSSG National Statistical Service of Greece
Spain	MIE Ministerio de Industria y Energia	—	MIE	INTERGALLUP S.A.	INTERGALLUP S.A.
France	INSEE Institut National de la Statistique et des Etudes Economiques	INSEE	INSEE	INSEE	INSEE
Ireland	CII and ESRI Confederation of Irish Industries and Economic and Social Research Institute	CIF Construction Industry Federation	CII and ESRI	—	TEAGASC The Agricultural and Food Development Authority
Italy	ISCO Istituto per lo Studio della Congiuntura	ISCO	ISCO	ISCO	ISCO
Luxembourg	STATEC Service Central de la Statistique et des Etudes Economiques	STATEC	STATEC	—	—
Netherlands	CBS Centraal Bureau voor de Statistiek	EIB Economisch Instituut voor de Bouwnijverheid	CBS	NIPO Nederlands Instituut voor de Publieke Opinie en het Marktonderzoek	CBS
Portugal	INE Instituto Nacional de Estatistica	AECOPS Associação de Empresas de Construção e Obras Públicas do Sul	INE	INE	NORMA
United Kingdom	CBI Confederation of British Industry	BEC Building Employers Confederation	BSO Business Statistics Office	CBI	GALLUP Gallup Institute

Questions of European Community business and consumer surveys

Manufacturing industry

Monthly:

- estimate of production trend in recent months: up, unchanged, down?
- order-books: above normal, normal, below normal?
- export order-books: above normal, normal, below normal?
- stocks of finished products: above normal, normal, below normal?
- production expectations in the months ahead: up, unchanged, down?
- selling-price expectations in the months ahead: up, unchanged, down?

Quarterly (January, April, July and October):

- employment expectations for the months ahead: up, unchanged, down?
- limits to production: none, insufficient demand, shortage of labour, lack of equipment, others?
- production capacity: more than sufficient, sufficient, not sufficient?
- duration of assured production: in months?
- new orders in the recent past: up, unchanged, down?
- export volume expectations for the months ahead: up, unchanged, down?
- capacity utilization: in %?
- stocks of raw material: high, normal, low?

All industries

Half-yearly (undertaken in March/April and October/November):

- investment trends and prospects: yearly percentage change of investment expenditure in current money values.

Building industry

Monthly (except for Denmark, Greece, France, Ireland and the United Kingdom, where the survey is carried out quarterly):

- current production compared with the preceding month: up, unchanged, down?
- factors holding up production: none, lack of demand, bad weather, shortage of manpower, shortage of material and/or equipment, others?
- order-books or production schedules: above normal, normal, below normal?
- employment expectations in the months ahead: up, unchanged, down?
- price expectations in the months ahead: up, unchanged, down?

Quarterly (January, April, July and October)

- duration of assured production: in months?

Retail trade sector

Monthly (France and Italy bi-monthly):

- we consider our present business (sales) position to be: good, satisfactory (normal for the season), bad;
- we consider our present stock to be: too small, adequate (normal for the season), too large;
- we expect that our orders placed on suppliers during the next (three) months, excluding purely seasonal variations, will be: up, unchanged, down;
- our business trend over the next six months, excluding purely seasonal variations, will improve, remain unchanged, deteriorate.

Quarterly:

- In the next (three) months, and compared with today, the number of persons we employ will: increase, remain unchanged, decline.

Consumer survey

Monthly:

- Financial situation of your household now compared to 12 months ago: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- Financial situation of your household, prospects over the next 12 months: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- General economic situation in the country now compared to 12 months ago: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- General economic situation in the country, prospects over the next 12 months: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- Price level now compared to 12 months ago: much higher, moderately higher, a little higher, about the same, lower, don't know.
- Price trend over the next 12 months: more rapid increase, same increase, slower increase, stability, slight decrease, don't know.
- Unemployment level in the country over the next 12 months will: increase sharply, increase slightly, remain the same, fall slightly, don't know.
- Major purchases (furniture, washing machine, TV, etc.) at present: yes, right time; neither right nor wrong time; should postpone; don't know.
- Major purchases next 12 months, compared to last 12 months: much more, a little more, the same, a little less, much less, don't know.
- Savings at present, a reasonable time to save: yes, certainly; yes, perhaps; probably not; certainly not; don't know.
- Savings by you or your household over the next 12 months: yes, certainly; yes, perhaps; probably not; certainly not; don't know.
- Financial situation of households at present — financial assets accumulation: borrowing, drawing on savings, just making ends meet, saving a little, saving a substantial amount, don't know.

Economic sentiment indicator

The economic sentiment indicator is a composite measure in which the industrial confidence indicator and the consumer confidence indicator are given equal weight, while the construction confidence indicator and the share-price index are attributed half the weight of each of the other two. The share-price index is included in the composite indicator in ratio-to-trend form, in order to separate short-term or cyclical variations from long-term increases in the value of shares. The long-term trend of the series is calculated using the NBER Bry-Boschan growth cycle programme. For a fuller description of the economic sentiment indicator and its components, see the technical note in the November 1982 issue of this Supplement.

Industrial confidence indicator

The industrial confidence indicator is the arithmetic average of the answers (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

Construction confidence indicator

The construction confidence indicator is the arithmetic average of the answers (balances) to the questions on order-books and employment expectations.

Consumer confidence indicator

The consumer confidence indicator is the arithmetic average of the answers (balances) to the four questions on the financial situation of households and general economic situation (past and future) together with that on the advisability of making major purchases. For a more detailed description of the consumer confidence indicator see technical note in the December 1982 issue of Supplement C.

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